GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Budget – 2019-20 (Vote on Account) – Release of Budget along with Instructions for incurring expenditure during the first four months of the Financial Year 2019 – 20 i.e., 1st April,2019 to 31st July,2019 – Orders – Issued.

FINANCE (BUDGET I) DEPARTMENT

G.O.MS.No. 42 **Dated: 24-04-2019**

Read the following:-

Ref: 1. G.O. MS.No.101, Finance (Budget-I) Department, dated 12-08-2015.
2. G.O. MS.No.31, Finance (Budget. I) Department, dt. 25.02.2019.
3. Circular No. 18, CFMS, Finance (IT), dt. 14.04.2019.

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O R D E R:

In the G.O. 2nd read above, Appropriation Act, 2019 relating to Vote on Account Budget 2019-20 for the first four months of Financial Year 2019-20 as approved by the State Legislature has been communicated to all the Departments/Heads of Departments/Chief Controlling Officers.

2. In the G.O. 1st read above, Government has instituted the Comprehensive Budget Release Order (CBRO) process for streamlining the budget distribution process by the departments to the implementing agencies and facilitate timely availability of funds as per their work plans and priorities. As per this, issuance of the CBRO, based on the distribution of budget by the Chief Controlling Officers (CCOs) to the Sub-Controlling Officers (SCOs) and Drawing and Disbursement Officers (DDOs), is a pre-requisite to incur expenditure.

3. In the Circular 3rd read above, as part of the closure of the Financial Year 2018-19, leveraging the capabilities of Comprehensive Financial Management System (CFMS), Government has outlined that certain residual un-paid approved bills of the financial year 2018-19 are migrated to 2019, alleviating the need for the DDOs to re-submit them for audit and approval. In order to ensure that these approved un-paid bills are migrated with the same state as 'Awaiting for Fund Clearance' and in the same FIFO order, a systemic way of tapping the funds from the respective budgetary heads from the 2019-20 Vote on Account Budget has been adopted. By this process, the system has automatically distributed funds to the respective DDOs to the extant needed for these approved un-paid bills and based on the overall availability of fund under the respective HOAs in the 2019-20 Vote on Account Budget. As a result of this process, the 2019-20 Vote on Account Budget is already tapped and partly distributed to the DDOs. The untapped portion of the Budget is available with the respective Chief Controlling Officers (Heads of the Departments).

4. Vote on Account Budget for the first four months of the financial year 2019-20 is loaded into the CFMS and the detailed Budget Estimates are made available to view by all the Departments under the ***'Budget Distribution - Vote on Account'*** tile within the CFMS. As already communicated, this is budget approved by the state legislature for the first four months of the FY 2019-20.

5. Government, after careful consideration, hereby order to dispense with the issue of CBROs and relax the quarterly regulations for the Vote on Account Budget 2019-20 for the period 1st April 2019 to 31st July 2019 and thereupon orders the release of the Vote on Account Budget 2019-20 to the departments/CCOs for enabling them to incur expenditure against the same duly taking into account the following:

a. The total expenditure to be incurred for the first four months of Vote on Account period in the FY 2019-20, i.e. 1st April 2019 to 31st July 2019, under each Demand, should not exceed the amounts as authorized by the State Legislature and specified in the AP Appropriation (Vote on Account) Act, 2019.
b. The balance amount under Vote on Account Budget after tapping for the un-paid approved bills from FY 2018-19 that are re-validated and migrated as FY 2019-20 bills, is available with the respective HODs/CCOs for further distribution to the SCOs/DDOs based on their requirements.
c. HODs/CCOs should use the ***'Budget Distribution - Vote on Account'*** tile within the CFMS and carryout further distributions, as needed. Already tapped budget as per the point (b) above, will be shown as distributed to the respective DDOs and will not be available for further actions (like surrender/redistribution) as it is already consumed.
d. HODs/CCOs should note that the Vote on Account is for the period 1st April 2019 to July 31st 2019 and therefore the quarterly relaxation ordered hereunder is only applicable for these first four months only.
e. In respect of the Centrally Assisted State Development Schemes under Group Sub-Head (GSH) 12 and corresponding Matching State Share provided under GSH 06, Budget will be released, through a specific Budget Release Order (BRO), only on receipt of the funds from Government of India and the concerned funding agency. Once a BRO is issued, these respective HOAs will be operated as Direct Debit Heads (DDH) for the purposes of expenditure. A separate additional funds BRO will be issued, if required, to cover the expenditure pertaining to the bills in this category migrated from 2018-19 to 2019-20.
f. In case of Externally Aided Projects under GSH 03 and RIDF Schemes under GSH 07, that operate on reimbursement basis, where the State has to incur the expenditure first, the Budget is considered released. BROs will be issued when the reimbursements are received and therefore, there is no need for a BRO to incur the expenditure.
g. Provisions made for New Schemes in the Vote on Account budget for 2019-20 will be considered for release only after receipt of proposals from the concerned departments

with detailed work plan and budget. Specific BROs will be issued for the same.

h. As the budget being released is Vote on Account budget, there may be situations wherein the required HOAs for incurring expenditure are not available or new HOAs are proposed in this order. In such a scenario, the concerned DDOs/SCOs, through their HODs, should notify the respective FMUs of the Finance Department for corrective actions, like re-appropriations, additional funds etc. and also to incorporate these in the full budget to be submitted for FY 2019-20, as required and deemed fit.
i. For loan repayments under MH 6003 / MH 6004 and interest payments under MH 2049, the FMUs should coordinate with the concerned departments to obtain the exact requirements based on the schedule of repayments and make appropriate provisions for the period of Vote on Account through BROs, if not already provided for.
j. For Employee Advances, Finance Department will review the approved un-paid bills from FY 2018-19 in coordination with the HODs and make appropriate provisions for the period of Vote on Account through additional fund BROs.
k. HOAs with the following combinations are ordered to be operated in relaxation of Budget Control:
    i. All DH/SDH under DH 010 – Salaries
    ii. All DH/SDH under DH 040 – Pensions
    iii. All DH/SDH under DH 020 – Wages
    iv. DH/SDH - 310/311 – Grant in Aid towards Salaries (Only for the cases migrated to HRMS Payroll, rest will operate as budget controlled)
    v. DH/SDH – 270/273 and 530/534 – Work Charged Employees
    vi. DH/SDH – 300/000 – Other Contractual Services
    vii. DH/SDH – 280/286 – Honorarium to VRAs
    viii. DH/SDH – 280/282 – Home Guards (only on provision of Cadre Strength and Personal details as per the U.O. Note No. FMU0MISC/35/2019, dt.: 11.03.2019 order issued by the finance department)
    ix. DH/SDH – 310/317 – Ex-gratia Payments (accidental death/compassionate appointment) – sanctioned on specific orders from case to case
    x. DH/SDH – 310/318 – Obsequies Charges
    xi. DH/SDH – 110/114 – Fixed Travelling Allowance
    xii. All HOAs under MH 2245 – Relief on Account of Natural Calamities
    xiii. All HOAs under MH 2071 – Pensions and Other Retirement Benefits
    xiv. 2225-01-800-11-04-310-312VN and 2225-01-800-12-04-310-312 VN - Expenditure pertaining to SC/ST Atrocities Act
    xv. 2235-60-104-00-04-500-503 VN – Expenditure relating to Booster Scheme
    xvi. 7610-00-800-00-04-001-000 VN – Expenditure relating to Employees Festival Advance

l. Operation of a particular HOA as a no budget control item does not imply that this is a permission to incur expenditure at their will. It is the responsibility of the respective HODs/CCOs/DDOs to monitor and review these items and notify the respective FMUs every quarter or take corrective actions as and when the expenditure increases the allocation provided for. A new feature in the CFMS system will be introduced to notify the HODs/CCOs as and when the expenditure touches 75% of the allocated levels. Also, whenever bills are being preferred against these HOAs when the expenditure is exceeding the allocated budget, a warning message is displayed notifying the same.

m. In case of Work Charged Employees, the following changes are ordered –
    i. Work Charged Employees TA/DA Expenses will be under DH/SDH 110/116, which will be budget controlled
    ii. Uniform Allowance will be under DH/SDH 250/000, which is budget controlled
    iii. Other Allowances like Cycle Allowance, Project Allowance etc. will be continue to be drawn under the respective combinations i.e., DH/SDH 270/273 and DH/SDH 530/534 from respective departments

n. In case of Home Guards, the following changes are ordered –
    i. TA/DA of Home Guards will be under DH/SDH – 280/287
    ii. No payments shall be allowed to the Home Guards under 800 – User Charges. Any existing orders to this effect stand ceased/withdrawn with immediate effect.

o. In respect of Contract employees and Outsourcing employees paid under Detailed Head 300, the following changes are ordered –
    i. Contract staff paid under Detailed Head 300, will now be segregated into 2 different DH/SDH components are follows:
        i. A new category DH/SDH 300/301 is introduced to cover the payments to the individual contract employees only. This will be treated as no budget control item
        ii. A new category DH/SDH 300/302 is introduced to cover the payments to the outsourcing employees only. This will be treated as a budget controlled item
        iii. TA/DA for the contract employees will now be covered under the new category DH/SDH 300/303, which will be a budget controlled item

p. TA/DA for all Grant-in-aid employees drawing salary through DH/SDH 310/311 is ordered to be covered under a new category DH/SDH 310/315 – TA/DA for GIA Employees.

q. DH/SDH 280/284 should be used for all professional services consulting works paid out individually. This should be used only for high-end individual consulting works that are directly hired by the government. TA/DA pertaining to these types of individuals

should be paid under the DH/SDH 280/288. Professional consulting contracts to companies, other than individuals, will now be charged to the new DH/SDH 300/304 – Professional Contractual Services through third party organizations.

r. Any Grant in Aid salary should be against DH/SDH 310/311 only and 310/312 should not be used for salaries.

s. No works will be allowed to be sanctioned under DH/SDH 310/312, 500/503 and 530/532 going forward. Departments should make conscious efforts to move out any such works sanctioned to appropriate HOAs before the full budget for FY 2019-20.

t. In case of PD reimbursements, a similar process, akin to the budget bills, is adopted with respect to the un-paid approved bills from FY 2018-19, wherein certain bills are migrated to 2019-20 against the available balances of the respective accounts/deposits. Separate detailed instructions will be issued in regard to the overall Public Accounts expenditure including that of Public Deposits/PD Accounts.

6. All Heads of the Departments / Secretariat Departments, Director of Treasuries and Accounts, Pay and Accounts Officer, Directorate of Works and Accounts are requested to follow these instructions scrupulously. In case of any clarifications, they are requested to reach out to the concerned FMUs, Budget I wing and IT wings of the Finance Department.

7. The CEO, APCFSS is requested to make necessary changes to CFMS and enable the system for budget distribution and incurring of expenditure accordingly in addition to ensuring that the guidelines herein under this order are appropriately configured, maintained, monitored and reported from time to time basis.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

PEEYUSH KUMAR
PRINCIPAL FINANCE SECRETARY TO GOVERNMENT (FAC)

To
All the Secretariat Departments.
All the Heads of Departments.
The Accountant General (A&E), AP
The Registrar General, High Court of Andhra Pradesh, Amaravati.
The Director, Treasuries & Accounts, Ibrahimpatnam.
Pay & Accounts Officer, Ibrahimpatnam.
The Director, Works Accounts, Ibrahimpatnam.
The CEO, APCFSS.
The PS to Chief Secretary
The PS to Spl. CS to CM
The PS to PFS/Secretary (FP)/Spl. Secretary (B&IF)

//FORWARDED :: BY ORDER//

SECTION OFFICER